

From [El Capitan Lodge- Alaska <scott@elcapitanlodge.com>](mailto:scott@elcapitanlodge.com)
Sent Wednesday, July 14, 2004 9:07 am
To lbc@dced.state.ak.us
Cc
Bcc
Subject Naukiti
Attachments [Naukiti Rebuttall Ltr.doc](#)

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Please see my attached letter regarding the Naukiti petition.

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Last September Art King asked if I wanted to be included in Naukati's second class city petition. I replied, "Absolutely not!" Despite that, I recently was informed that the community of Naukati had proposed incorporating as a second class city and encompassing Sarkar subdivision. The petitioners did not discuss their plan to do this with citizens of Sarkar before initiating their petition, nor were we invited to participate in meetings that planned for the incorporation, although they were held the past three years. I wonder if the residents of Naukati know that the Second Class city is entitled to levy a real property tax?

Sarkar subdivision is over eight miles from Naukati by road and is separated by USFS Land which will not be available for residential or commercial development. Further, there is no public road that connects Naukati to Sarkar subdivision.

There is not a community of interests between Naukati and Sarkar residences. Sarkar residents have no need to go to Naukati to shop, for business, school or church. There are few friendships between the two places. I pick up my mail in Craig. Sarkar does not need road maintenance in the summer or winter. We have not requested emergency medical/fire services and see no future need for those that Naukati is offering.

It appears the only viable economic base in the area is my lodge as Naukati has little in the way of a developed economy. El Capitan Lodge makes up about 80% of the tax revenue projected by the petition, but the petition gives no assurance of any services that would be a benefit to me now or in the future. The bed tax project will unfairly tax El Capitan Lodge; services including charters, guiding, flight seeing, food, fuel and transportation will not be taxed on businesses in Naukati not having overnight accommodations. I did not provide any financial information to Naukati as stated in their petition for second class city.

I believe the Boundary Commission should tell Naukati to mature before it incorporates. Naukati will own a shellfish hatchery currently controlled by Art King and his association. Incorporation should wait until Naukati can see if the hatchery is a viable business as there is no assurance of success. The federal/state grants projected are being used to finance the initial startup of the shellfish business. Today there is not enough business or economy in Naukati to support a city. I do not believe Naukati is a community of permanent residents.

Most of the property in Sarkar is used as vacation or second homes. There is no permanent resident of Sarkar. Many home owners are retired and over 65. Few vote in Alaska.

My parents started El Capitan Lodge and raised their family in Alaska the past forty years. My wife and I now own the lodge but my parents still work in Alaska; my mother is a certified teacher and my father is employed by Lynden. My family labored for decades to develop a wilderness lodge and I do not want to be encompassed by a Second Class city and be forced to pay taxes for services I'll never see and never asked for. I suggest Sarkar subdivision to be removed from the boundaries of the proposed second class city of Naukati.